

ANCHOR DISTRICTS

COMPACT COORDINATION



FT. WORTH, TX
OCTOBER 29, 2019

U3 Advisors works at the intersection of **campus and city**.

We advance the institutional mission through transformative **economic, real estate, and programmatic strategies and interventions** that positively impact their communities.





Universities, hospitals, and other large not-for-profit organizations that “anchor” their communities. They are the largest employers and landholders within their neighborhoods and are key conveners for investment, ideas, and impacts.

As our world becomes more urbanized, **anchor institutions** are increasingly **vital to the health and success of our cities and communities.**



CORE MISSIONS



EDUCATION



RESEARCH



HEALTHCARE

INDIRECT IMPACTS

COMMUNITY DEV

EQUITY

SUSTAINABILITY

& MORE

Anchors must achieve missions under
INCREASING CHALLENGES

DEMOGRAPHICS

11% Decline in college aged populations between now and 2029

FINANCES

15% Average growth in college expenses over the last five years

CONSOLIDATION

16% Average annual growth in hospital mergers since 2005

GO IT ALONE



OR WORK TOGETHER

ANCHOR DISTRICTS

FOCUSING ON OUR SHARED GEOGRAPHY

ANCHOR DISTRICTS

A relatively **new type of urban core**, separate from the traditional CBD, in which multiple universities, hospitals, and other anchor institutions are the primary **economic engine**. These anchors drive their local economies, but have profound externalities (positive and negative) on their communities. Community service corporations can steward the growth of anchor districts, leveraging the influence of respective anchors and managing “the space between.”

HISTORY OF THE TERM

- ▶ The concept has been around informally since the 1970s
- ▶ First formalized in 2012 by University Circle Inc (Cleveland) through the formation of the Anchor District Council

DISTRICT DRIVERS

INNOVATION, CULTURE, ART

ECONOMIC ENGINE

EMPLOYMENT

EDUCATION

ANCHOR DISTRICT

1-3 sq mile area | 24/7 activity

FOCUS AREAS OF ANCHOR DISTRICTS

ANCHOR DISTRICTS CAN WEAR MANY HATS

REAL ESTATE

Development
Services

Real Estate
Support Programs

COMMUNITY / ECONOMIC IMPACTS

Housing
Support

Business
Development

Local
Hiring

Education &
Public Health

PLACE-BASED PROGRAMS

Quality Public
Spaces

Clean & Safe
Streets

Programming /
Marketing

Transportation
Services

Shared
Facilities

ANCHOR DISTRICT

ANCHOR DISTRICTS CAN BE DISCONNECTED & DISINVESTED



In a recent study of an newer anchor district, estimated that **~90%** of the employees and students were taking single use automobiles to work/campus; in another parking composed almost **40%** of all land

OR EXCLUSIVE



In six* of the most mature anchor districts, rental prices are **21%** greater than their respective cities and have increased at faster paces.

*Longwood (Boston); UCD (Philadelphia); University Circle (Cleveland); University District (Columbus); Medical Center Area (St Louis); Midtown (Detroit);

BUT CAN ALSO BE
VIBRANT & INCLUSIVE



LEARNING FROM WHAT IS OUT THERE

ANCHOR DISTRICTS

	TOTAL ANCHORS	SELECT MEMBERS	YEAR FOUNDED
CLEVELAND, OH UNIVERSITY CIRCLE INC	5	Case Western University University Hospitals Rainbow Cleveland Institute(s) of Art & Music	1960
BOSTON, MA LONGWOOD MEDICAL AREA	8	Children’s Hospital Bingham Womens Harvard Medical Schools Colleges of /Fenway	1972
ST LOUIS, MO WUMC REDEVELOPMENT CORP	2	Washington University BJC Healthcare	1995
PHILADELPHIA, PA UNIVERSITY CITY DISTRICT	5	CHOP UPENN and HUP Drexel USciences	1997
ATLANTA, GA UNIVERSITY CENTER CONSORTIUM	4	Clark Atlanta University Morehouse College Morehouse Medicine Spelman College	1998
BUFFALO, NY BUFFALO NIAGARA MEDICAL CAMPUS	3+	University at Buffalo Kaleida Health Roswell Park	2002
COLUMBUS, OH CAMPUS PARTNERS	1	Ohio State University	2002
BALTIMORE, MD EAST BALTIMORE DEVELOPMENT INC	2	Johns Hopkins Health and Hospital MICA	2003
CINCINNATI, OH UPTOWN CONSORTIUM INC	5	University of Cincinnati Cincinnati Children’s Hospital UC Health Tri Health Cincinnati Zoo	2005
MINNEAPOLIS, MN CENTRAL CORRIDOR PARTNERSHIP	9	Ausburg University Fairview Hennepin Healthcare Metro State University Regions Hospital St Catherine’s	2008
DETROIT, MI MIDTOWN DETROIT INC	3	Henry Ford Health System Wayne State University Detroit Medical Center	2009*
CHICAGO, IL UC SOUTHSIDE	2	University of Chicago University of Chicago Medicine	2010
MEMPHIS, TN MEDICAL DISTRICT COLLABORATIVE	8	St Jude Methodist/LeBonheur UTHSC Regional One BCHS SCO SWTCC ALSAC	2016
CHICAGO, IL WESTSIDE UNITED ANCHORS	6	AMITA Health Lurie Children’s Hospital Cook County Health RUMC Sinai Health UI Hospital and Health	2018

LEARNING FROM WHAT IS OUT THERE

FUNDING

FUNDING MECHANISMS



PERCENT OF BUDGET



	TOTAL ANCHORS	SELECT MEMBERS	YEAR FOUNDED	TOTAL REVENUE	ANCHOR CONTRIBUTION	FOUNDATIONS GRANTS	FEES FOR SERVICES	ENDOWMENT INVESTMENT
CLEVELAND, OH UNIVERSITY CIRCLE INC	5	Case Western University University Hospitals Rainbow Cleveland Institute(s) of Art & Music	1960	\$14M	<div></div>	<div></div>	<div></div>	<div></div>
BOSTON, MA LONGWOOD MEDICAL AREA	8	Children’s Hospital Bingham Womens Harvard Medical Schools Colleges of /Fenway	1972	\$34M	<div></div>	<div></div>	<div></div>	
ST LOUIS, MO WUMC REDEVELOPMENT CORP	2	Washington University BJC Healthcare	1995	\$2.3M	<div></div>		<div></div>	
PHILADELPHIA, PA UNIVERSITY CITY DISTRICT	5	CHOP UPENN and HUP Drexel USciences	1997	\$12M	<div></div>	<div></div>	<div></div>	
ATLANTA, GA UNIVERSITY CENTER CONSORTIUM	4	Clark Atlanta University Morehouse College Morehouse Medicine Spelman College	1998	\$1.4M	<div></div>	<div></div>	<div></div>	<div></div>
BUFFALO, NY BUFFALO NIAGARA MEDICAL CAMPUS	3+	University at Buffalo Kaleida Health Roswell Park	2002	\$8M		<div></div>	<div></div>	
COLUMBUS, OH CAMPUS PARTNERS	1	Ohio State University	2002	\$12M	<div></div>		<div></div>	
BALTIMORE, MD EAST BALTIMORE DEVELOPMENT INC	2	Johns Hopkins Health and Hospital MICA	2003	\$23M	<div></div>		<div></div>	<div></div>
CINCINATTI, OH UPTOWN CONSORTIUM INC.	5	University of Cincinnati Cincinnati Children’s Hospital UC Health Tri Health Cincinnati Zoo	2005	\$3M	<div></div>	<div></div>	<div></div>	
MINNEAPOLIS, MN CENTRAL CORRIDOR PARTNERSHIP	9	Ausburg University Fairview Hennepin Healthcare Metro State University Regionss Hospital St Catherine's	2008	-		<div></div>		
DETROIT, MI MIDTOWN DETROIT INC	3	Henry Ford Health System Wayne State University Detroit Medical Center	2009*	\$6M	<div></div>	<div></div>	<div></div>	
CHICAGO, IL UC SOUTHSIDE	2	University of Chicago University of Chicago Medicine	2010	\$1M	<div></div>	<div></div>		
MEMPHIS, TN MEDICAL DISTRIC COLLABORATIVE	8	St Jude Methodist/LeBonheur UTHSC Regional One BCHS SCO SWTCC ALSAC	2016	\$5M	<div></div>	<div></div>		
CHICAGO, IL WESTSIDE UNITED ANCHORS	6	AMITA Health Lurie Children's Hospital Cook County Health RUMC Sinai Health UI Hospital and Health	2018	-	<div></div>	<div></div>		

LEARNING FROM WHAT IS OUT THERE

SERVICES

-  FULL SERVICE OR INITIATIVE
-  PARTIAL SERVICE OR INITIATIVE

PLACEMAKING & FACILITIES

COMMUNITY& ECONOMIC

	TOTAL ANCHORS		SHARED FACILITIES	CLEAN & GREEN SAFETY	TRANSPORTATION SERVICES	MARKETING PROGRAMMING	REAL ESTATE DEVELOPMENT	HOUSING	ECONOMIC DEVELOPMENT	EDUCATION & PUBLIC HEALTH
CLEVELAND, OH UNIVERSITY CIRCLE INC	5									
BOSTON, MA LONGWOOD MEDICAL AREA	8									
ST LOUIS, MO WUMC REDEVELOPMENT CORP	2									
PHILADELPHIA, PA UNIVERSITY CITY DISTRICT	5									
ATLANTA, GA UNIVERSITY CENTER CONSORTIUM	4									
BUFFALO, NY BUFFALO NIAGARA MEDICAL CAMPUS	3+									
COLUMBUS, OH CAMPUS PARTNERS	1									
BALTIMORE, MD EAST BALTIMORE DEVELOPMENT INC	2									
CINCINATTI, OH UPTOWN CONSORTIUM INC	5									
MINNEAPOLIS, MN CENTRAL CORRIDOR PARTNERSHIP	9									
DETROIT, MI MIDTOWN DETROIT INC	3									
CHICAGO, IL UC SOUTHSIDE	2									
MEMPHIS, TN MEDICAL DISTRIC COLLABORATIVE	8									
CHICAGO, IL WESTSIDE UNITED ANCHORS	6									

LEARNING FROM WHAT IS OUT THERE

ANCHOR DISTRICTS

COMPARED TO THEIR **RESPECTIVE CITIES***, THESE DISTRICTS EXPERIENCED

11%

Greater population growth

9%

Greater reduction in housing vacancy

7%

Greater increase in housing prices



University City District, Philadelphia

1,040

Low income residents hired through job training program

\$37M

Total wages eared by participants



Memphis Medical District, Memphis

670

Housing Units

25K

SQF of Retail

120K

SQF of Office Space

New into the district in the last three years



Midtown Detroit, Detroit

1,200+

People received incentives to live or rent in the district

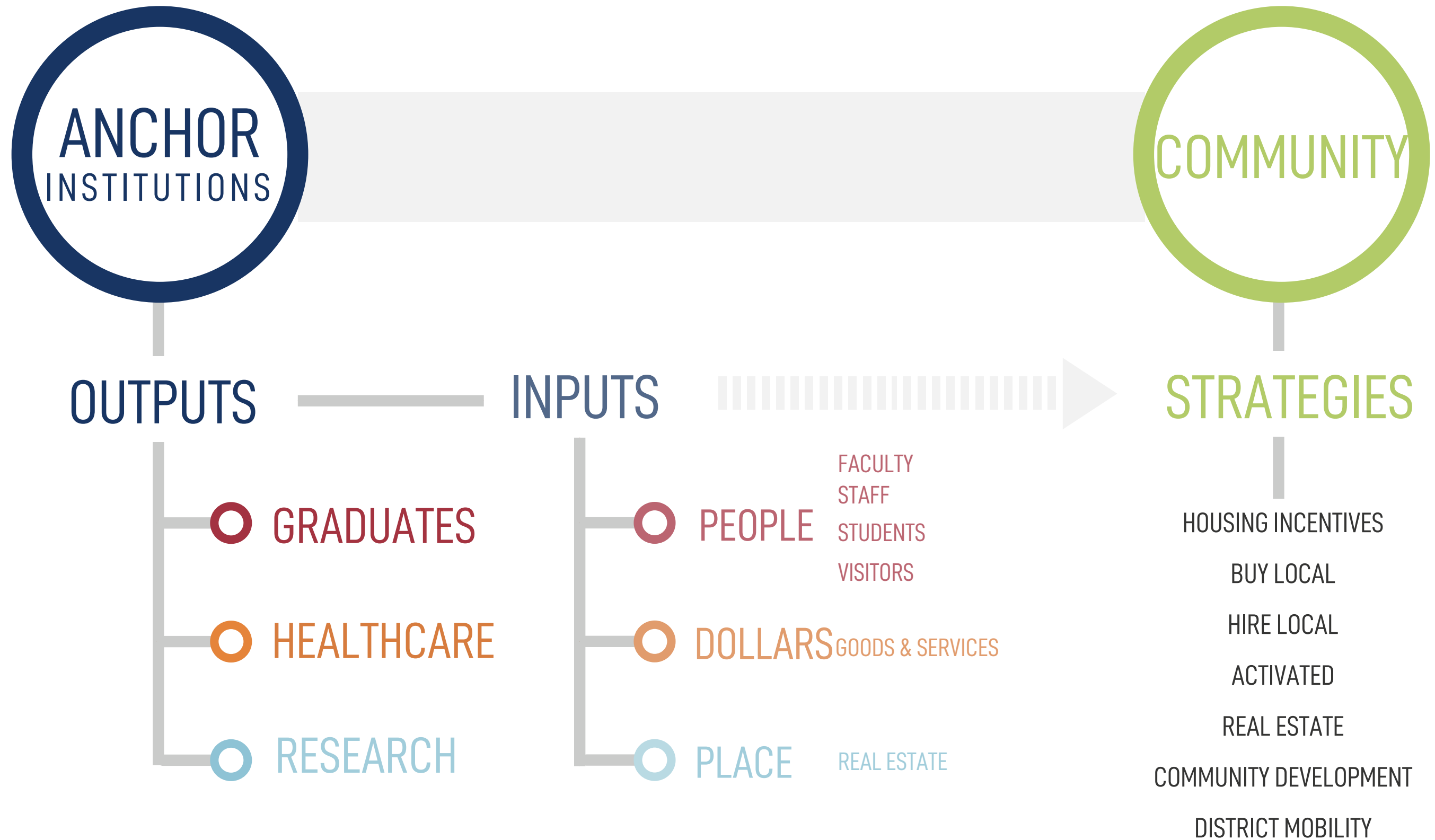
80%

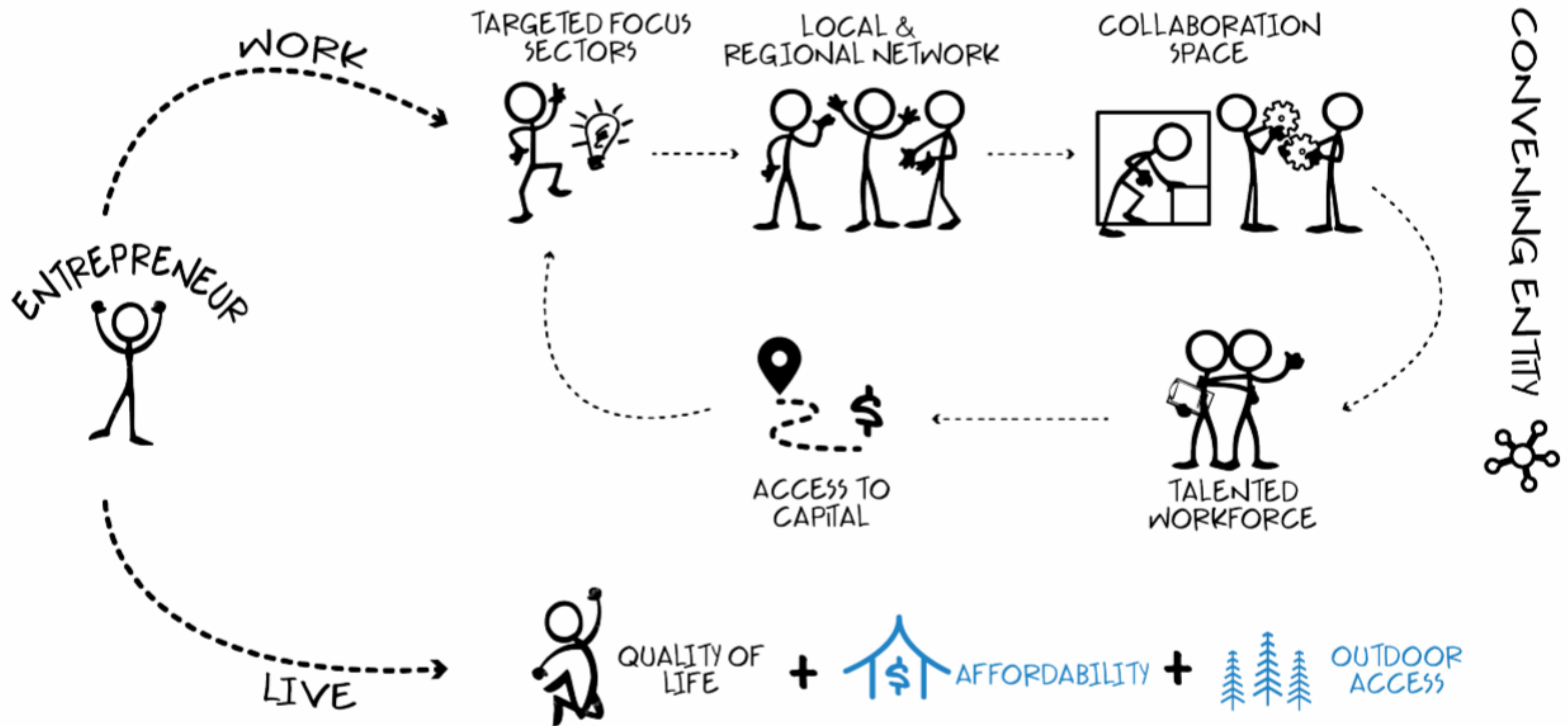
Remained for at least three years after the subsidy

**Compared using 2017 census data compared to the census year closest to organization's founding*



How can a district move from
potential to actual

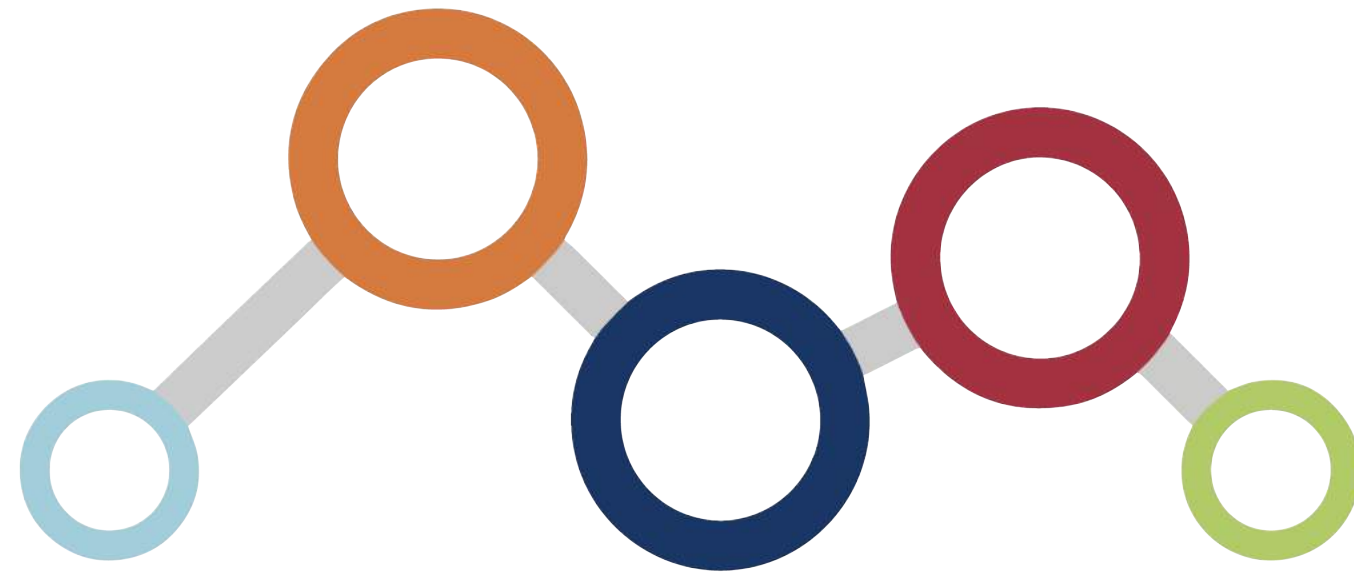




UNIQUE ELEMENTS
State College & Case Studies

FORMING MMDC

Realizing the need in the district, **7 anchor hospitals and universities** in Memphis formed a non-profit entity to managed shared initiatives:



MEMPHIS MEDICAL DISTRICT COLLABORATIVE



COLLABORATORS



MEMPHIS MEDICAL DISTRICT

TOTAL EMPLOYEES

(2014)	(2018)
15,968	20,111

TOTAL STUDENTS

(2014)	(2018)
7,940	7,346

TOTAL PROCUREMENT*

(2014)	(2018)
\$709M	\$948M

TOTAL REAL ESTATE

(2014)	(2018)
250 Acres	300 Acres

- ①

ALSAC/ST. JUDE
- ②

MLH
- ③

REGIONAL ONE
- ④

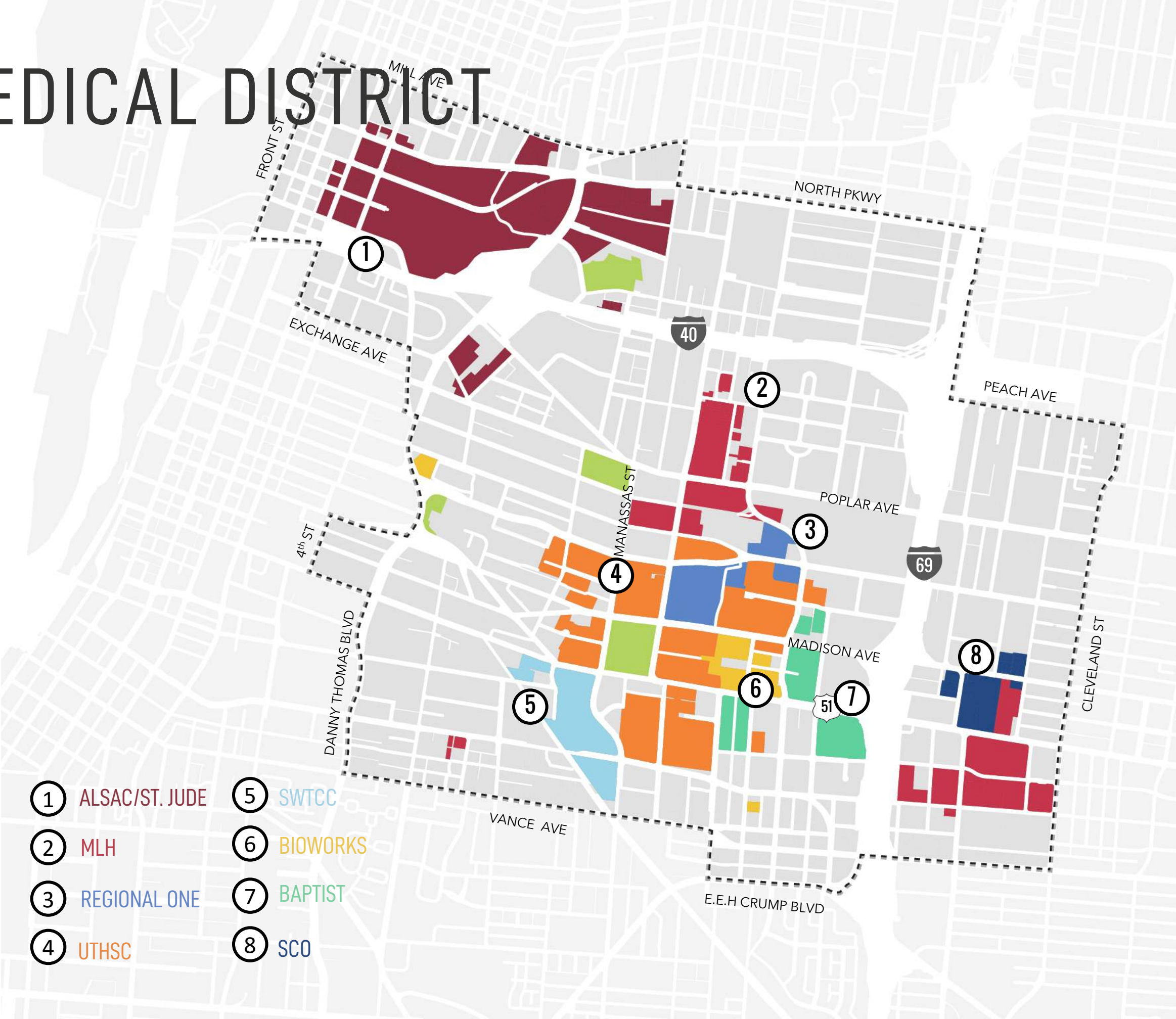
UTHSC
- ⑤

SWTCC
- ⑥

BIOWORKS
- ⑦

BAPTIST
- ⑧

SCO



*Addressable only; capital/operating; not including ALSAC or SWTCC

DISTRICT | 2014



AUTO-ORIENTED

FENCES & GATES

DISINVESTMENT

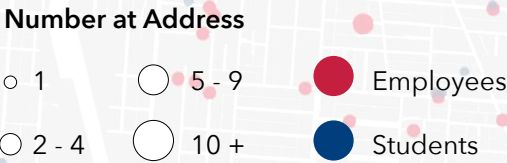
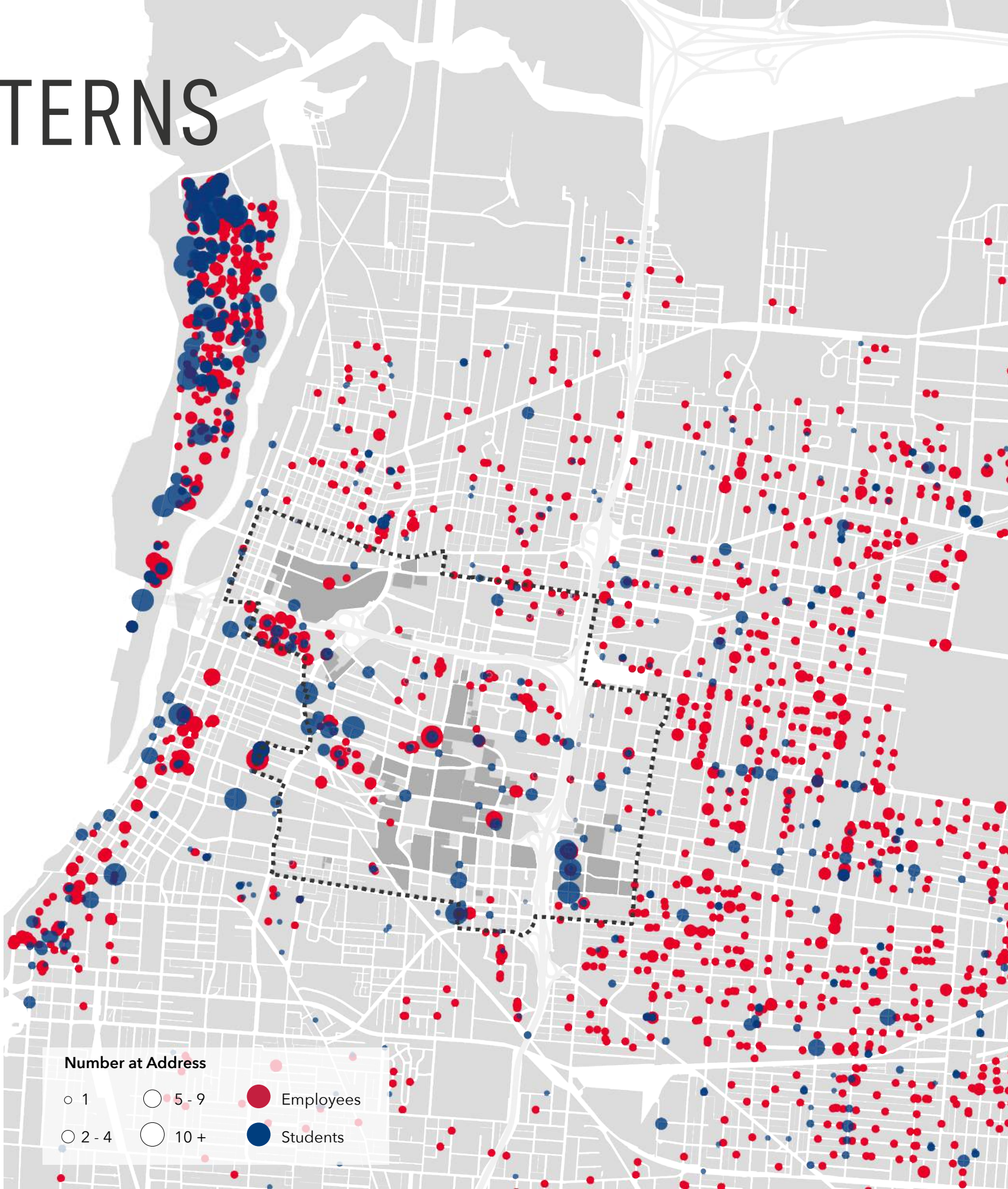
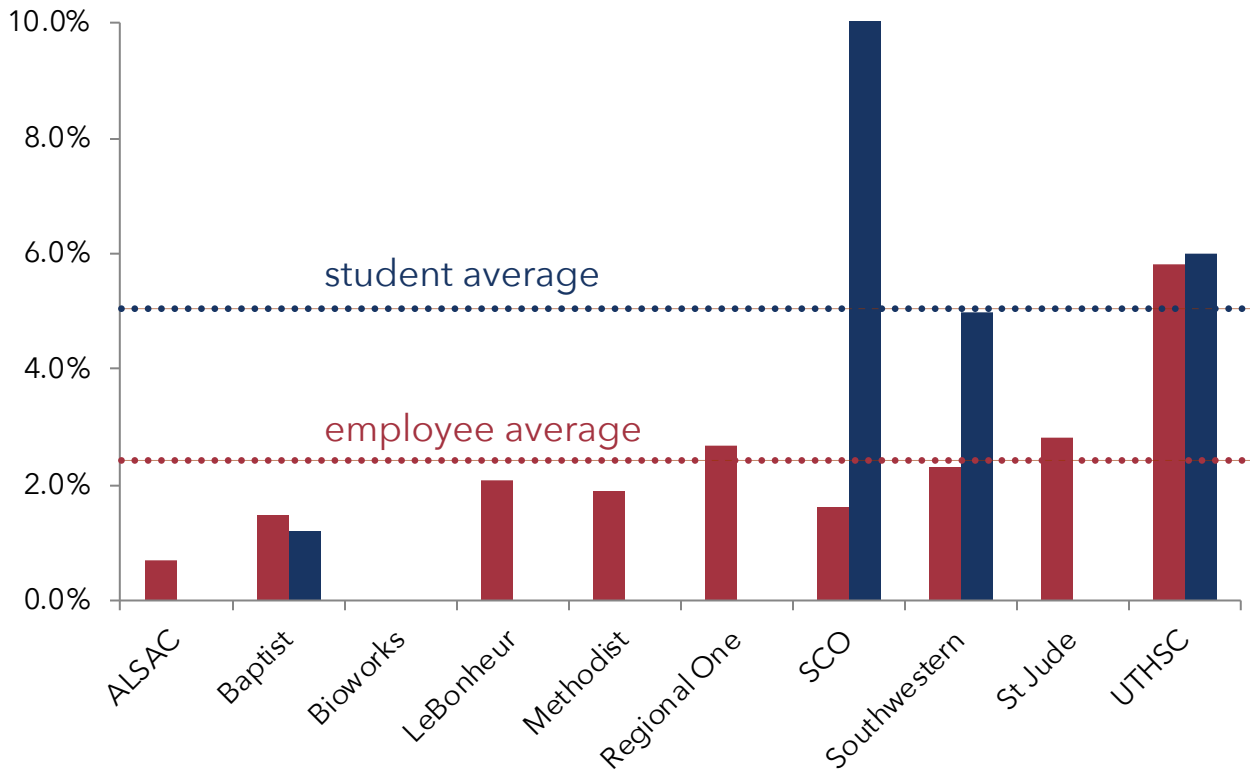
2014 RESIDENTIAL PATTERNS



Only **6%** of off-campus students live within the district.



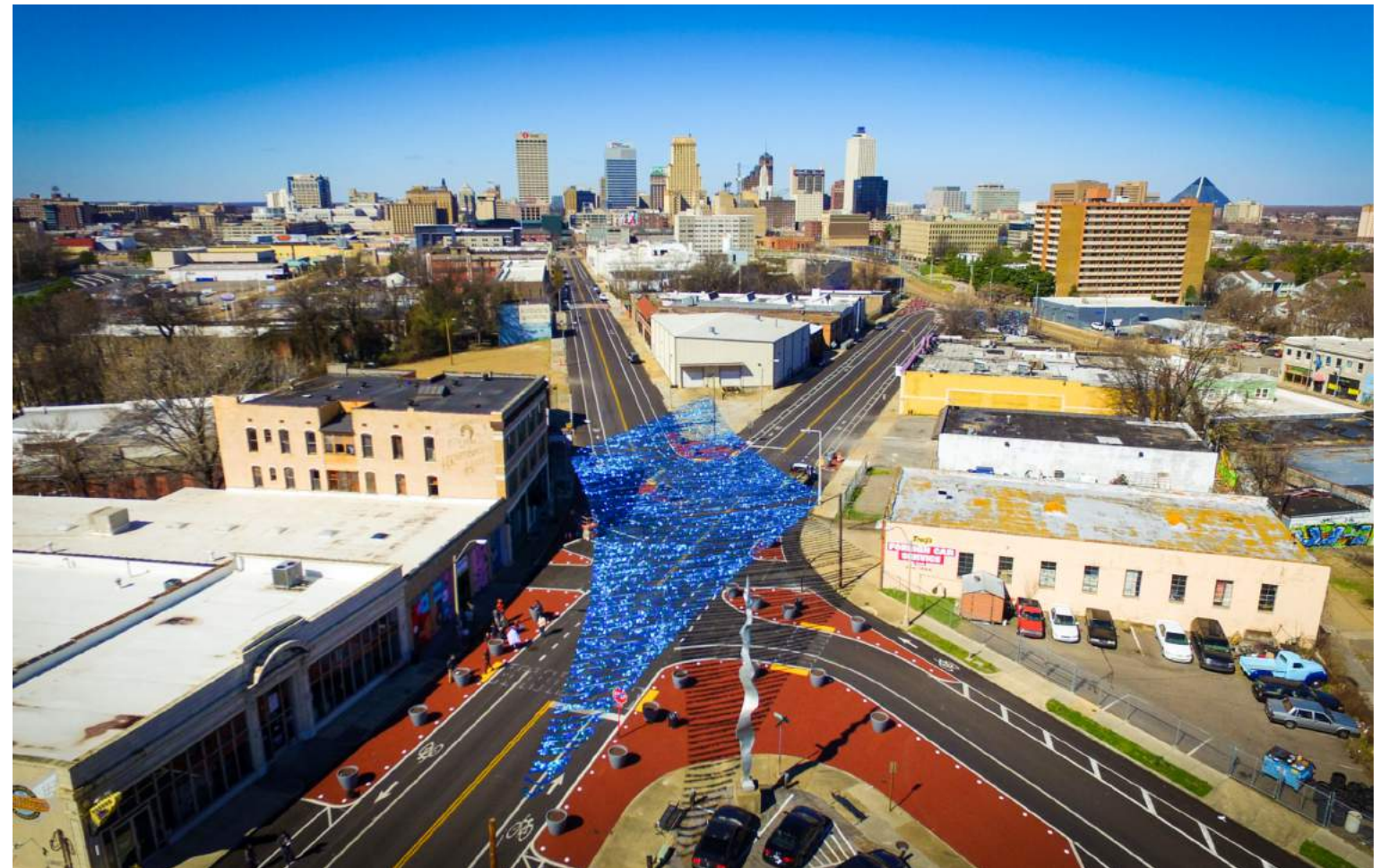
Less than **3%** of employees live within the district.



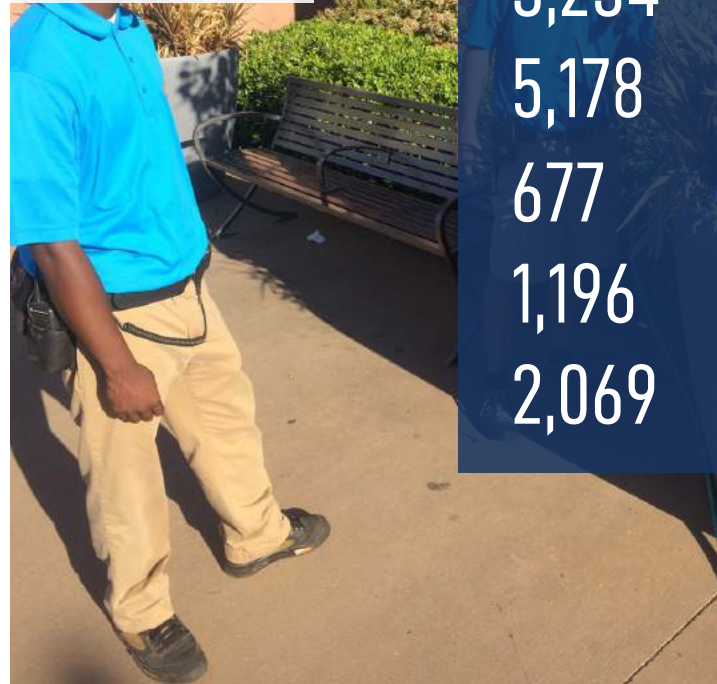
QUALITY PUBLIC SPACES



1 intersections & streetscape improvements



CLEAN & SAFE STREETS



3,234
5,178
677
1,196
2,069

GARDEN
PATH
STUDIOS

OR

MMDC

hospitality services
bags of litter removed
pieces of graffiti removed
panhandlers engaged
trash cans emptied



COMMUNITY & ECONOMIC DEVELOPMENT



28 new businesses
43 businesses received technical assistance
23 businesses received façade & planning assistance



LIVE LOCAL

Attracted & Retained
130 Residents

Reduced Daily Commute Hours
By
60 Minutes

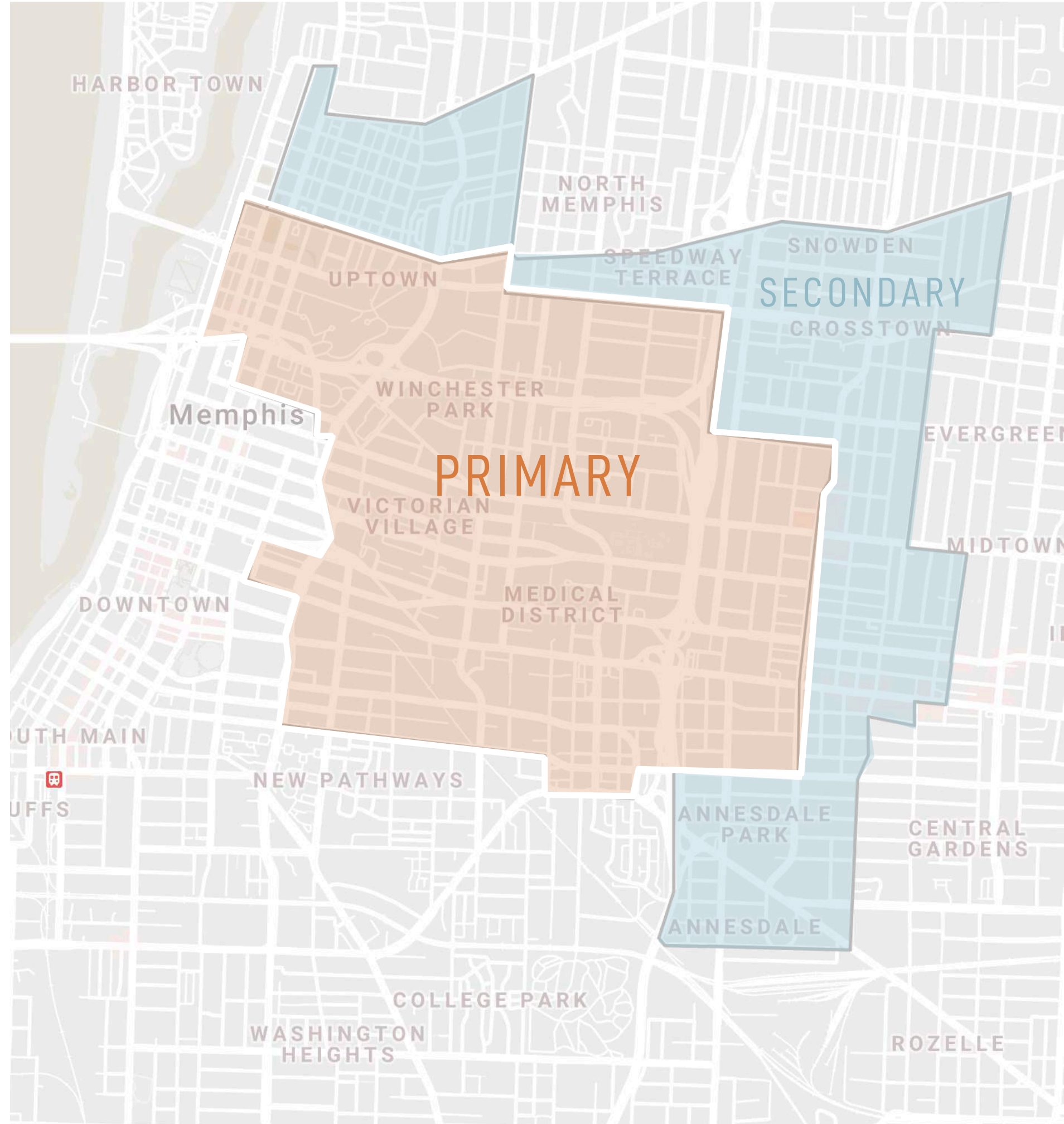
(Daily Commute Per Participant)

Reduced Annual Commute Costs By
\$250,000

Available incentives:

up to \$2,000 toward a new apartment lease

up to \$15,000 for a new home purchase in Memphis' most central neighborhoods.



BUY LOCAL

TOTAL NON MEDICAL SPEND

+\$105M (+39%)

LOCAL

+\$22.4M (+68%)

Spent with Local HQ

DIVERSITY

+\$8.5M (+180%)

Spent with Diverse Businesses



HIRE LOCAL

[HIRELOCAL](#) [EMPLOYERS](#) [JOB SEEKERS](#) [CONTACT](#)

WORKING TOGETHER

TO INCREASE THE ECONOMIC OPPORTUNITY FOR THE LOCAL COMMUNITY

JOB SEEKERS

EMPLOYERS

Launch of [Hirelocal901.com](#) jobs portal
100 job commitments from Anchor partners
60+ active job seekers

[hirelocal901.com](#)

TRANSPORTATION & MOBILITY

GROOVE MEMPHIS

MMDC's Transportation Management Association (TMA)

Provide coordinated mobility options in a specified geographic area.

TMA's implement tools such as:

- ▶ Fixed Route Shuttle Services
- ▶ Parking Management
- ▶ Programs for Commute Options
- ▶ Public Transportation Advocacy



PROJECTS UNDER WAY

5



Wonderbread
Apartments
199 units

6

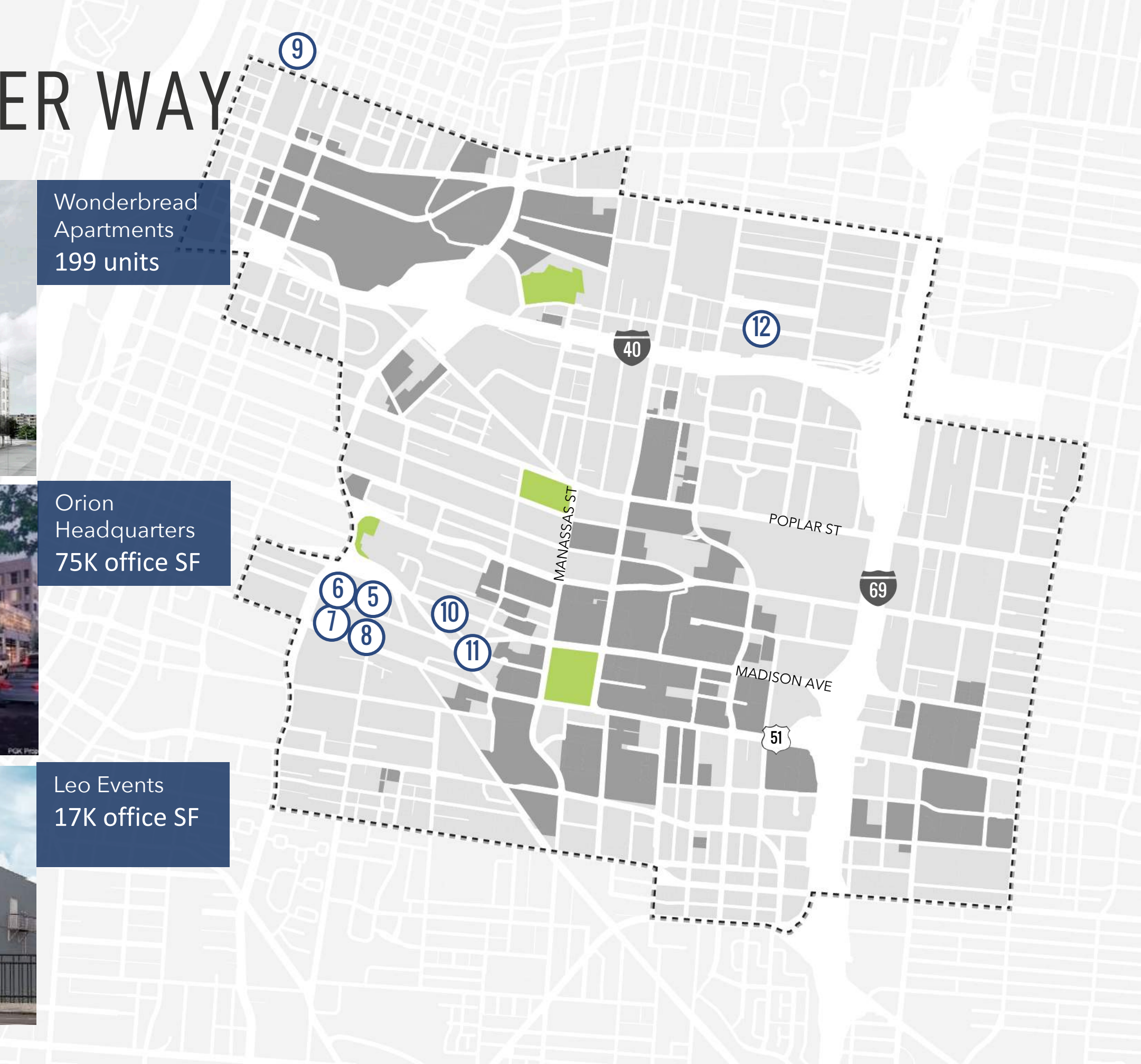


Orion
Headquarters
75K office SF

7



Leo Events
17K office SF



INVESTMENTS 2016 - 2018

\$295M leveraged in Real Estate Investment

\$2.66 M Quality public Spaces

\$1.4 M Community Development

\$1.36 M Clean and Safe Streets

\$1.1 M Planning & Real Estate

\$341 K District Events

\$490 K Mobility

\$302M

total District investment

TRANSFORMING POTENTIAL INTO ACTUAL

1. CONVENE

Anchor leadership, potential funders (i.e foundations), municipal partners, and key community members must establish initial working group

2. UNDERSTAND YOUR DATA

Clear definition of anchor demand drivers, local demographics, market conditions, local policies and on the ground capacity to understand the state of the potential district

3. DEVELOP A VISION AND STRATEGY

Clear definition of the goals for forming an anchor district, the types of interventions that are need, and the roles of the individual participants. This is where placemaking can come together with demand drivers.

4. INVEST AND IMPLEMENT

Creation of a formalized entity structure to implement the strategy; partial \$\$ investment must come from anchor institutions to demonstrate "skin in the game"